



DUNDEE CORPORATION REPORTS SECOND QUARTER 2012 FINANCIAL RESULTS

FOR IMMEDIATE RELEASE

Toronto, August 9, 2012 – Dundee Corporation (TSX: DC.A, DC.PR.A, DC.PR.B) (the “Corporation”) is today reporting its financial results as at and for the three and six months ended June 30, 2012. The Corporation’s unaudited condensed interim consolidated financial statements, along with the accompanying management’s discussion and analysis, have been filed on the System for Electronic Document Analysis and Retrieval (“SEDAR”) and may be viewed under the Corporation’s profile at www.sedar.com or the Corporation’s website at www.dundeeecorp.com.

FINANCIAL HIGHLIGHTS

- **Fee Earning Assets under Management and Administration** – Fee earning assets under management and administration increased to \$15.0 billion at June 30, 2012, compared with \$11.7 billion at June 30, 2011 and \$12.3 billion at December 31, 2011.
- **Equity Accounted Investments** – Earnings from equity accounted investments were \$11.7 million during the second quarter of 2012 compared with \$14.1 million earned during the same period of the prior year. At June 30, 2012, the market value of equity accounted investments was \$599.6 million.
- **Market Value of Investments** – The market value of the Corporation’s portfolio of investments, excluding equity accounted investments, was \$1.4 billion at June 30, 2012, and included \$0.8 billion in shares of The Bank of Nova Scotia which were received by the Corporation on its divestment of DundeeWealth Inc.
- **Net Loss** – During the second quarter, the Corporation incurred a loss of \$16.8 million attributable to owners of the parent, representing a loss per share of \$0.34. This compares with net earnings attributable to owners of the parent of \$21.0 million during the same period of the prior year, or \$0.27 per share on a fully diluted basis. Included in the net loss during the second quarter of 2012 is a \$34.0 million loss from investments.
- **Corporate Debt** at June 30, 2012 was \$508.3 million and included \$265.3 million borrowed in our real estate and resource based subsidiaries.

SECOND QUARTER 2012 SEGMENTED RESULTS OF OPERATIONS

	Three Months		Six Months	
	2012	2011	2012	2011
<i>For the three and six months ended June 30,</i>				
Net earnings (loss) before income taxes from:				
Real estate segment	\$ 36,852	\$ 12,926	\$ 49,737	\$ 24,649
Resource segment	1,882	7,973	2,663	15,231
Agriculture segment	(354)	-	(1,070)	-
Asset management segment	(30,299)	12,076	3,436	10,553
Capital markets segment	(5,893)	4,346	(2,128)	9,599
	2,188	37,321	52,638	60,032
Income taxes	(10,664)	(12,999)	(25,575)	(18,021)
Discontinued operations:				
Loss, net of taxes	-	-	-	(20,000)
Gain on sale of discontinued operations, net of taxes	-	-	-	870,828
Net earnings (loss) for the period	\$ (8,476)	\$ 24,322	\$ 27,063	\$ 892,839
Net earnings (loss) attributable to:				
Owners of the parent				
Continuing operations	\$ (16,795)	\$ 21,006	\$ 15,666	\$ 35,170
Discontinued operations	-	-	-	861,158
Non-controlling interest	8,319	3,316	11,397	(3,489)
	\$ (8,476)	\$ 24,322	\$ 27,063	\$ 892,839

At June 30, 2012, fee earning assets under management and administration had increased to \$15.0 billion, representing a 28% increase over \$11.7 billion in fee earning assets under management and administration at June 30, 2011, and a 22% increase over fee earning assets under management and administration at December 31, 2011. A significant part of this growth occurred in the real estate asset management division, which benefited from a number of successful new acquisitions of quality assets, including a 67% interest in the Scotia Plaza complex, a premier office complex located in downtown Toronto. Correspondingly, management fee revenue increased over 60% to \$15.4 million in the second quarter of 2012, compared with \$9.4 million earned in the second quarter of the prior year.

Operating results from Dundee Realty's land and housing business were strong, with revenue increasing 85% to \$113.8 million from \$61.6 million in the second quarter of the prior year, and with a corresponding increase in contribution margins from \$12.0 million in the second quarter of 2011 to \$28.5 million in the current quarter. Real estate results in the second quarter of 2012 benefited from first year condominium sales in two of Dundee Realty's projects in the Toronto area. Condominium sales are dependent upon the timing of completion of development projects and may vary significantly from period to period.

Uncertain global growth concerns in light of the ongoing Euro zone crisis, combined with a slowing Chinese economy and unconvincing economic figures out of the United States has eroded market confidence. These economic concerns weighed heavily on commodity prices in particular. Reflecting these global economic concerns, the Corporation's portfolio of securities depreciated substantially in the second quarter of 2012. In particular, during the three months ended June 30, 2012, the Corporation realized a loss of \$34.0 million in respect of its portfolio of investments.

Echoing similar concerns, Dundee Capital Markets incurred a loss before taxes of \$5.9 million in the second quarter of 2012, compared with earnings of \$4.3 million in the same quarter of the prior year. Capital markets activities in the resource industry in particular, a core focus for the capital markets segment, decreased significantly in the second quarter of 2012 compared with the same period of the prior year.

The Corporation continues to expand its portfolio of agricultural products. In the second quarter and through its investment in Blue Goose Capital Corporation, the Corporation acquired a rainbow trout fish farm operating as Meeker Aquaculture on Manitoulin Island, Ontario. Established in 1986, Meeker is currently licensed to produce approximately 1.0 million pounds of fish annually. Included as part of the acquisition is a fish composting operation, the genesis of which was based on unearthing an environmentally-friendly process for the disposal of fish by-products. Current production of this organic compost, created by mixing by-products from Ontario's fish and forestry industries, is upwards of 40 tonnes per week.

ABOUT THE CORPORATION

Dundee Corporation is an independent publicly traded Canadian asset management company. The Corporation's asset management activities are focused in the areas of the Corporation's core competencies and include real estate and infrastructure as well as energy, resources and agriculture. Asset management activities are carried out by Goodman Investment Counsel Inc. (formerly Ned Goodman Investment Counsel Limited), a registered portfolio manager and exempt market dealer across Canada and an investment fund manager in the province of Ontario, and by DREAM, the asset management division of Dundee Realty Corporation, a 70% owned subsidiary of the Corporation. Asset management activities are supported by the Corporation's ownership interest in Dundee Capital Markets Inc. Dundee Capital Markets is also the asset manager of the Corporation's flow-through limited partnership business carried out through the "CMP", "CDR" and "Canada Dominion Resources" brands. Dundee Corporation also owns and manages direct investments in these core focus areas, through ownership of both publicly listed and private companies. Real estate operations are carried out through the Corporation's investment in Dundee Realty Corporation, an owner, developer and manager of residential and recreational properties in North America. Energy and resource operations include the Corporation's ownership in Dundee Energy Limited, an oil and natural gas company with a mandate to create long-term value through the development of high impact energy projects. The Corporation also holds other investments in the resource sector, several of which are equity accounted. Agricultural activities are carried out through a newly formed entity, Dundee Agricultural Corporation. Dundee Agricultural Corporation holds a 76% interest in Blue Goose Capital Corporation, a privately owned Canadian company with a leading position in the organic and natural beef production markets with operations in both British Columbia and Ontario.

FOR FURTHER INFORMATION PLEASE CONTACT:

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